

minute and to revise and extend his remarks.)

Mr. ALLARD. Mr. Speaker, we are going to hear a lot from the limousine liberals on the Democrat side of the aisle this week about fairness.

Well, let me ask them a few questions.

It is fair to penalize senior citizens who want to remain productive?

It is fair to working Americans that the cost of capital in the United States is so much higher than in the rest of the industrialized world?

It is fair that married couples are penalized just because they are married?

There is nothing fair about the current tax system. It penalizes work, saving, and investment. But this week we begin the job of restoring fairness to our tax system. We will start by restoring the \$25 billion in Social Security cuts engineered by the Clinton White House and the old Democratic Congress. I think it is important to note that these cuts did not have the support of one Republican Member in either Chamber.

America's seniors should not be asked to pay higher taxes to solve a problem that was made in Washington. We will fix that this week.

TAX CUTS TO BENEFIT RICH

(Mr. WATT of North Carolina asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WATT of North Carolina. Mr. Speaker, this morning's paper reported that the Republicans have reached a deal on the tax cut package. Well, the public had better beware, because this tax cut package has two major problems. No. 1, they have told us all of this time that the most important thing in life is cutting the deficit. But what are we doing? Instead of using this money to cut the deficit, we are cutting taxes instead.

No. 2, we are doing it on the backs of poor people. The poor person, the \$20,000 to \$30,000 per year person, the \$30,000 to \$50,000 per year person, will get little benefit from this tax cut. The person earning over \$200,000 a year in income will get \$11,266 in tax cuts. Nothing for the American people who need it.

This is trickle down economics again. We ought to reject it out of hand.

MORE AND BETTER JOBS NEEDED

(Mr. SMITH of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, what I think we need to talk about is what do we do to expand more and better jobs in this country? I think we need to realize that almost every piece of legislation is a transfer of wealth, and especially appropriation bills and taxes. We have increased taxes and regulations so much on business that they

are now looking to other countries for more favorable ways to raise money.

I brought this chart out just to show what has been happening in our discouragement of business expansion in this country.

□ 1215

Maximum capital gains tax rate; in the United States, it is 28 percent; France, 18 percent, exempt in Germany; Canada, 23 percent; Japan, 20 percent; the U.K. is 40 percent, but they exempt the first 5,500 pounds.

Now, with that kind of tax, we are discouraging businesses from buying the machinery and equipment and facilities that are going to increase our productivity. Our productivity is not increasing at the rate of other countries.

Mr. Speaker, I think it is important we support this tax bill.

WHOSE SIDE ARE THE REPUBLICANS ON ANYWAY?

(Mr. EDWARDS asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS. Mr. Speaker, when Republicans promised welfare reform, who would have guessed that would mean a \$63 million special tax break for billionaire Rupert Murdoch? When Republicans promised immigration reform, who would have guessed that they would mean billionaires should be able to avoid hundreds of millions of dollars in taxes they owe by simply renouncing their U.S. citizenship?

When Republicans promised to reorder American priorities, who would have guessed that would mean Republicans would vote to protect Star Wars but not to protect Social Security?

When Republicans promised middle-class tax cuts, who would have guessed that meant people making over \$200,000 a year would enjoy an \$11,000 a year tax bonus?

Mr. Speaker, I am for changing government. I am for less government and lower deficits and common sense in our laws. But I think the American people are beginning to ask just whose side are the Republicans on?

DEMOCRATS DESPERATELY DEMAGOG

(Mr. RIGGS asked and was given permission to address the House for 1 minute.)

Mr. RIGGS. Mr. Speaker, one more time, let us see if we can get this right. The tax break inserted in the bill was at the request of a Democratic Member of the other body.

Listening to my colleagues this morning on the other side of the aisle reminds me of a saying I once heard, desperate people will demagog anything.

You see the Democrats would like us to believe that our tax relief bill is taking money from the poor to give it to the rich. Let me ask my Democratic

colleagues, do you think all senior citizens are rich? You must think so because that is one group of people who definitely benefit from our bill. We are repealing the unfair tax increase that you imposed on the backs of senior citizens in August 1993.

You surely remember that. This is the tax increase that considers all seniors receiving Social Security benefits and making \$34,000 or more a year wealthy. We are also lifting the Social Security earnings limitation so that seniors who want to work outside the home past the age of 65 are not unfairly penalized if they earn over \$11,000 a year.

Mr. Speaker, it is wrong to raise taxes on middle income seniors who live on fixed incomes and it is wrong to target working seniors.

I ask my Democratic colleagues to help us in passing the tax relief bill.

A CALL FOR OUTSIDE COUNSEL

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, it appears my colleague from the Sixth District of Georgia has set a new global standard in blatant, unabashed audacity. One would think that after the controversy over his \$4.5 million book deal with Rupert Murdoch, he would have made an effort to distance himself from the British billionaire.

But no, not this speaker. While slashing heating assistance for the elderly poor, he and his confederate colleagues conspired to protect a \$63 million tax break specifically for Rupert Murdoch.

No one knew about this grand heist until after it was slipped in during the conference committee. Mr. speaker, when my colleague delivered his opening day speech after accepting the gavel he said, and I quote, "here America comes to work and here we are preparing for those children a better future." End of quote. I didn't realize that by children he meant Rupert Murdoch. Mr. Speaker, now more than ever, it is time for an outside counsel.

ON NATIONAL SECURITY

(Mr. HUNTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUNTER. Mr. Speaker, I might just say to the gentlewoman who just spoke that my understanding is that this special tax break that the Democrats are complaining about was slipped in by a Democrat. So I think that is where the investigation would lead.

Let us get back to something that is very important to this country. These are two models of what is known as "brilliant eyes." That is important to everybody who is concerned about national security. That means that if Saddam Hussein launched a missile on our troops in theater in the Middle

East, these systems could pick up that launched missile, could relay the information back to either an American ship or American theater antimissile forces and they could launch a missile like we launched the Patriots against the Scuds that occurred in desert Storm. They could launch a missile at the incoming ballistic missile and knock it out of the sky before it damaged American troops or American equipment.

These are on display in 2118 Rayburn. We have an SDI exhibit on display today. I would urge all Members to come down and look at the emerging technology we are building for missile defense.

THE NATIONAL DEBT

(Mr. TAYLOR of Mississippi asked and was given permission to address the House for 1 minute.)

Mr. TAYLOR of Mississippi. Mr. Speaker, by the clock on the wall, it is 20 minutes after 12. By 30 minutes after 12 this Nation will have spent another \$5 million on interest on the national debt. Because of the national debt, we are spending \$1 million every 2 minutes just to pay the interest. That is not the principal; that is just the interest.

That is why I want to compliment my Republican colleagues on passing some much-needed cuts. They were not the cuts I would have made, but they were necessary because we have to reduce spending.

Let me criticize them for not taking those savings and applying it toward our annual operating deficits but instead to give a tax break to millionaires.

This Nation will still spend about \$200 billion more than it collects in taxes this year. That means the debt goes up and that means the interest on that, for those of you who are wondering where your tax money goes, the biggest portion of the money that you pay in taxes goes to pay interest on the national debt, does not pave an inch of highway, does not buy one round for one M-16, does not educate a child.

It goes to some rich lending institution and the chances are one out of three that that money goes to a German or a Japanese lending institution because they are the ones who control our debt.

A TRIBUTE TO HIS MAJESTY, KING BHUMIBOL ADULYADEJ—KING RAMA IX—OF THAILAND

(Mr. ROHRABACHER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROHRABACHER. Mr. Speaker, I rise today to express the deep-felt concern by many Members of Congress over the health of the king of Thailand, King Rama IX and the enormous sense of relief we all felt on hearing the news that the king's health is improving. A

50-year reign for a king this good is too short.

As a member of the Committee on International Relations of the House of Representatives, I would like to pass along to the king the committee's best wishes for a speedy and a complete recovery.

In the last decades, Thailand has been an island of tranquility compared to the strife and war that has visited its neighbors. His majesty's wisdom has been key to Thailand's ability to avoid such dangers and cataclysms.

The king is a blessing to Thailand and, yes, to the whole world.

Once again, I, my colleagues and my fellow Americans wish him and his family greetings and good health from his friends in the United States of America.

As their new year approaches, we would like to wish a happy new year to the king and all the people of Thailand.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. BUNNING of Kentucky). Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken after debate has concluded on all motions to suspend the rules.

TRUTH IN LENDING CLASS ACTION RELIEF ACT OF 1995

Mrs. ROUKEMA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1380) to provide a moratorium on certain class action lawsuits relating to the Truth in Lending Act.

The Clerk read as follows:

H.R. 1380

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Truth in Lending Class Action Relief Act of 1995".

SEC. 2. MORATORIUM.

Section 130 of the Truth in Lending Act (15 U.S.C. 1640) is amended by adding at the end the following new subsection:

"(i) CLASS ACTION MORATORIUM.—

"(1) IN GENERAL.—During the period beginning on the date of the enactment of the Truth in Lending Class Action Relief Act of 1995 and ending on October 1, 1995, no court may enter any order certifying any class in any action under this title—

"(A) which is brought in connection with any credit transaction not under an open end credit plan which is secured by a first lien on real property or a dwelling and constitutes a refinancing or consolidation of an existing extension of credit; and

"(B) which is based on the alleged failure of a creditor—

"(i) to include a charge actually incurred (in connection with the transaction) in the finance charge disclosed pursuant to section 128;

"(ii) to properly make any other disclosure required under section 128 as a result of the failure described in clause (i); or

"(iii) to provide proper notice of rescission rights under section 125(a) due to the selection by the creditor of the incorrect form from among the model forms prescribed by the Board or from among forms based on such model forms.

"(2) EXCEPTIONS FOR CERTAIN ALLEGED VIOLATIONS.—Paragraph (1) shall not apply with respect to any action—

"(A) described in clause (i) or (ii) of paragraph (1)(B), if the amount disclosed as the finance charge results in an annual percentage rate that exceeds the tolerance provided in section 107(c); or

"(B) described in paragraph (1)(B)(iii), if—

"(i) no notice relating to rescission rights under section 125(a) was provided in any form; or

"(ii) proper notice was not provided for any reason other than the reason described in such paragraph.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New Jersey [Mrs. ROUKEMA] will be recognized for 20 minutes, and the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. ROUKEMA asked and was given permission to revise and extend her remarks.)

Mrs. ROUKEMA. Mr. Speaker, the Truth in Lending Act generally requires lenders to disclose credit terms to borrowers in a manner that allows borrowers to compare between lenders.

One of the remedies available under the Truth in Lending Act for refinancing and second mortgage loans is the ability to rescind the loan up to 3 years. The Truth in Lending Act has been interpreted by the courts to allow borrowers to seek rescission for minor discrepancies, as little as \$10, in the required disclosures.

If a mortgage is rescinded, the lender must reimburse all fees and costs to the borrower, including all interest paid for up to 3 years and must release the mortgage lien, leaving the lender with an unsecured loan.

In March 1994, the Circuit Court of Appeals for the 11th Circuit in *Rodash versus AIB Mortgage Co.* allowed a borrower to rescind a mortgage based on a technical violation of the disclosure and notice requirements provided for in the Truth in Lending Act.

As a result of the *Rodash* decision, nearly 50 class action lawsuits have been filed and in virtually all of the cases, the remedy sought is rescission. We have seen newspaper advertisements seeking plaintiffs for further class action. These ads are placed by class action attorneys and simply state if you have refinanced your mortgage in the last 3 years, you may be eligible to have your mortgage rescinded.

Mr. Speaker, I will include at the end of my statement reprints of representative newspaper advertisements.